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 Edward W. Barnholt, H. Raymond Bingham, Robert
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 Marks, Dean O. Morton, Lida Urbanek and Richard
 P. Wallace

UNITED STATES DISTRICT COURT
 NORTHERN DISTRICT OF CALIFORNIA – SAN FRANCISCO DIVISION

IN RE KLA-TENCOR CORPORATION
 SECURITIES LITIGATION

Master Case No. C 06-4065 MJJ

CLASS ACTION

THIS DOCUMENT RELATES TO:
 ALL ACTIONS

**STIPULATION AND ~~PROPOSED~~
 ORDER REGARDING BRIEFING
 SCHEDULE FOR DEFENDANTS' RULE
 12 MOTIONS**

Co-Lead Plaintiffs Police and Fire Retirement System of the City of Detroit, the Louisiana
 Municipal Police Employees' Retirement System, and The City of Philadelphia Board of
 Pensions and Retirement (collectively, "Co-Lead Plaintiffs") and Defendants KLA-Tencor
 Corporation ("KLA-Tencor"), Edward W. Barnholt, H. Raymond Bingham, Robert J. Boehlke,
 Robert T. Bond, Gary E. Dickerson, Richard J. Elkus, Jr., Jeffrey L. Hall, Stephen P. Kaufman,
 John H. Kispert, Kenneth Levy, Michael E. Marks, Dean O. Morton, Stuart J. Nichols, Kenneth
 L. Schroeder, Jon D. Tompkins, Lida Urbanek and Richard P. Wallace (the "Individual

STIP AND [PRPD] ORDER REGARDING BRIEFING
 SCHEDULE FOR DEFENDANTS' RULE 12 MOTIONS
 1-SF/7521507.1

1 Defendants” and, together with KLA-Tencor, “Defendants”), by and through their undersigned
 2 counsel of record, hereby stipulate and agree, subject to court approval, as follows:

3 WHEREAS, this action was filed on June 29, 2006 and, following the appointment of Co-
 4 Lead Plaintiffs and an Executive Committee and Plaintiff’s Counsel under the Private Securities
 5 Litigation Reform Act of 1995 (“PSLRA”), Co-Lead Plaintiffs filed their Consolidated Class
 6 Action Complaint (the “Consolidated Complaint”) on March 6, 2007,

7 WHEREAS, the Consolidated Complaint is 183 pages in length,

8 WHEREAS, the Consolidated Complaint alleges that Defendants violated Sections 10(b),
 9 14(a), 20(a), and 20A of the Securities Exchange Act of 1934, 15 U.S.C. §§ 78j(b), 78n(a), 78t(a),
 10 78t-1, by, *inter alia*, engaging in a scheme to defraud by making material misrepresentations
 11 concerning compliance with the Company's stock option plans, the award and dating of stock
 12 options, and the Company's financial results,

13 WHEREAS, the Individual Defendants are seventeen persons who now are, or at various
 14 times between 1999 and the present were, directors and/or officers of Defendant KLA-Tencor,

15 WHEREAS, all Defendants intend to file motions seeking dismissal of the Complaint in
 16 whole or in part under the PSLRA, Rule 12 of the Federal Rules of Civil Procedure, and other
 17 applicable law addressing, what Defendants believe are serious defects in the Consolidated
 18 Complaint raising substantial legal issues including pleading of scienter, loss causation,
 19 materiality of the alleged misstatements, and statutes of limitations, among others,

20 WHEREAS, Defendants believe that the legal questions presented by their motions to
 21 dismiss will be substantial and complex, and may dispose of the case entirely or in large part as to
 22 some or all Defendants,

23 WHEREAS, Co-Lead Plaintiffs believe that the Consolidated Complaint complies with all
 24 applicable pleading requirements and that the Consolidated Complaint does not raise any legal
 25 issues, including with respect to pleading of scienter, loss causation, materiality of the alleged
 26 misstatements and statute of limitations, that would result in dismissing, in whole or in part, any
 27 of the claims asserted,

28 WHEREAS, the seventeen Individual Defendants are represented by seven separate sets

1 of attorneys, and all defense counsel intend to cooperate and coordinate on filing of joint briefs to
 2 the maximum extent possible and practicable on common legal issues, so as to eliminate
 3 duplicative briefing of issues affecting multiple defendants, and Defendants anticipate that this
 4 may require seeking relief from page limitations, which Defendants will request separately if and
 5 when necessary;

6 WHEREAS, depending on what Defendants seek by way of relief from page limitations,
 7 Co-Lead Plaintiffs may require seeking similar require relief from page limitations in connection
 8 with their consolidated opposition, which Co-Lead Plaintiffs will request separately,

9 WHEREAS, Defendants' motions to dismiss or other responses to the Consolidated
 10 Complaint are currently due on April 20, 2007,

11 WHEREAS, Defendants believe that, in light of the foregoing factors, it is just and
 12 appropriate to extend this deadline to May 21, 2007, and Co-Lead Plaintiffs agree with this
 13 schedule, provided that Co-Lead Plaintiffs have the same length of time to prepare and file a
 14 consolidated opposition in response to Defendants' motions to dismiss (*e.g.*, to August 6, 2007,
 15 assuming defendants file their motions on May 21, 2007),

16 WHEREAS, Individual Defendants Robert J. Boehlke, Gary E. Dickerson, Michael E.
 17 Marks, Dean O. Morton, Stuart J. Nichols, and Richard P. Wallace have been newly named as
 18 defendants in this action and each of them agrees to waive service of process, subject to the
 19 scheduling terms of this stipulation and proposed order,

20 NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by and between
 21 the undersigned counsel for all parties, as follows:

22 1. Defendants, and each of them, have appeared in this action such that service of
 23 process upon them has either been accomplished or waived.

24 2. Defendants, and each of them, shall file their Rule 12 motions or answer the
 25 Consolidated Complaint by no later than May 21, 2007. Defendants are directed to coordinate
 26 among themselves so as to file consolidated or joint briefs on common issues to the extent
 27 practicable.

28 3. Once Defendants respond to the Consolidated Complaint by filing Rule 12

1 motions, Co-Lead Plaintiffs will have 76 calendar days to file and serve their opposition to the
 2 motion(s) and Defendants will have 21 calendar days thereafter to file and serve any reply briefs
 3 in further support of the motion(s). The parties shall meet and confer and submit a separate
 4 stipulation and proposed order regarding any requested relief from page limitations in connection
 5 with the Rule 12 motions and opposition and reply briefs. The hearing date for the Rule 12
 6 motion(s) will be determined by the Court.

7 **IT IS SO STIPULATED.**

8 DATED: March 30, 2007

MORGAN, LEWIS & BOCKIUS LLP

9
 10 By: /s/
 Joseph E. Floren

11 **Attorneys for Defendants KLA-Tencor**
 12 **Corporation, Edward W. Barnholt, H. Raymond**
 13 **Bingham, Robert J. Boehlke, Robert T. Bond,**
 14 **Richard J. Elkus, Jr., Jeffrey L. Hall, Stephen P.**
Kaufman, Michael E. Marks, Dean O. Morton,
Lida Urbanek and Richard P. Wallace

15 I, Joseph E. Floren, am the ECF User whose ID and password are being used to file this
 16 STIPULATION AND [PROPOSED] ORDER. In compliance with General Order 45, X.B., I
 hereby attest that each of the 7 signatories identified below has concurred in this filing.

17 DATED: April 11, 2007

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25 **Plaintiffs' Executive Committee and Liaison**
 26 **Counsel**

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Plaintiffs' Executive Committee

DATED: April 2, 2007

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Attorneys for Defendant Gary Dickerson

1 DATED: April 2, 2007

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9 DATED: April 2, 2007

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Attorneys for Defendant Kenneth Levy

18 DATED: April 3, 2007

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DATED: April 10, 2007

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Attorneys for Defendant Kenneth L. Schroeder

DATED: April 3, 2007

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Attorneys for Defendant Jon D. Tompkins

O R D E R

**PURSUANT TO STIPULATION, AND GOOD CAUSE APPEARING, THE
COURT ORDERS:**

1. All Defendants have appeared in this action such that service of process upon them has either been accomplished or waived.

2. Defendants shall file their Rule 12 motions or answer the Consolidated Complaint by no later than May 21, 2007. Defendants are directed to coordinate among themselves so as to file consolidated or joint briefs on common issues to the extent practicable.

3. Once Defendants respond to the Consolidated Complaint by filing Rule 12 motions, Co-Lead Plaintiffs will have 76 calendar days to file and serve their opposition to the motion(s) and Defendants will have 21 calendar days thereafter to file and serve any reply briefs in further support of the motion(s). The parties shall meet and confer and submit a separate stipulation and proposed order regarding any requested relief from page limitations in connection with the Rule 12 motions and opposition and reply briefs. The hearing date for the Rule 12 motion(s) will be determined by the Court.

WEDNESDAY, SEPTEMBER 12, 2007 AT 2:00
P.M. (SPECIAL SETTING)
THE CASE MANAGEMENT CONFERENCE
OF TUES., MAY 15, 2007 IS VACATED.

Dated: April 16, 2007

Hon. Martin J. Jenkins
United States District Judge

